



Health and Social Security Scrutiny Panel Quarterly Meeting with the Minister for Social Security

THURSDAY, 10th DECEMBER 2015

Panel:

Deputy R.J. Renouf of St. Ouen (Chairman)

Deputy G.P. Southern of St. Helier

Deputy T.A. McDonald of St. Saviour

Witnesses:

Deputy S. J. Pinel (The Minister for Social Security)

Policy Director, Social Security

Chief Office, Social Security

Operations Director, Social Security

[09:29]

Deputy R.J. Renouf of St. Ouen (Chairman):

If we could begin. This is a quarterly hearing that the Health and Social Security Scrutiny Panel has with the Minister for Social Security. This meeting is being recorded so in the light of that if I may do the usual and make introductions, and ask the Minister to make her introductions. So I am Deputy Richard Renouf of St. Ouen and I am the Chairman of the panel.

The Deputy of St. Ouen:

Thank you, Minister and your team. We are also assisted by our 2 scrutiny officers here today. So, Minister, we have a number of topics we would like to raise with you. The primary care strategy has recently been released, but it was delayed, it was due for release at the end of 2014, so that is a year's delay. I know the department has a role to play in putting the strategy together so what was the reason for the delay?

The Minister for Social Security:

Can I just do a brief introduction, first?

The Deputy of St. Ouen:

Very well, okay, but then please come to that question.

The Minister for Social Security:

Yes. As a member of the Ministerial Oversight Group overseeing the development of the primary care strategy, obviously, as you know, this strategy was published on Monday and its publication is a milestone in our reform of the healthcare system. The strategy is being constructed using the contributions of a wide range of stakeholders and providers: doctors, pharmacists, optometrists, dentists, patients, the community and the voluntary sector. It also features evidence from around the world to highlight the lessons we can learn from the health policies of other jurisdictions. The strategy has taken some time to put together but we have a document which all parties can sign up to and which clearly sets out our ambitions for Jersey's healthcare system. The Ministerial Oversight Group will continue to steer the development of a model for sustainable primary care and the next phase will see the activity in being, if you like, as opposed to just an overarching strategy. So the next phase in this is to pilot the schemes with the aforementioned G.P.s (general practitioners), dentists, pharmacists. The delay, which was your first question, has been basically to create a partnership, multi-dimensional partnership with all the parties involved, which, as you can imagine, has taken some time to get a way forward with everybody working together.

The Deputy of St. Ouen:

The trouble is does the delay prejudice plans for the future hospital? If we are trying to care for people in the community and not have them in hospital, but we have not advanced our primary care strategy in sufficient time, will that prejudice plans for the future?

The Minister for Social Security:

I think it will aid the plans for the future because there has been nothing decided as yet by the States on where the future hospital will be located or how it will be funded and I think these pilot schemes will now go ahead on the basis that we have got a primary care strategy will aid and abet

any design for a new hospital. As you say, the whole idea is to have more care in the community rather than in a hospital environment.

The Deputy of St. Ouen:

Yes, that is the case, but the strategy it seems to me is very much a statement saying that we are still going to consult and we are going to plan and work together but there is little concrete in the strategy so exactly what is happening in the next phase? What concrete moves are there?

The Minister for Social Security:

I quite agree. This is an overarching strategy, so from that we can then start making the concrete moves. For instance, the pharmacies want to take on more responsibility from the G.P.s, so for instance to be able to test blood pressure or B.M.I. (Body Mass Index) or any of those things which pharmacists are trained to do but in Jersey do not do. They do across Europe. So that is one of the more concrete things that will be piloted for pharmacies to take on more work and perhaps doing some prescribing, and it is taken ... the delay being that the G.P.s have to agree that they will hand over that sort of part of their business.

Deputy G.P. Southern:

Could you give us some detail about your role in the primary healthcare strategy in that basically your input is about funding G.P. services, funding primary care through the Health Insurance Fund, what thinking have you done and what consideration is that with the Health Insurance Fund to start with, but about funding for G.P.s in particular we are talking about. There are 2 elements that go in there, there is what the patient pays and there is what the department pays as well. What is the thinking about how that will develop?

The Minister for Social Security:

Well, as you know, Deputy, we are going to start in the new year with a complete review of the Social Security Fund, which will incorporate a review of the Health Insurance Fund as well. We will then look at all the funding that we do for doctors and for pharmacists in the dispensing capacity. So all that will be looked at, prescriptions, as we have said before, and a review of the Health Insurance Fund inasmuch as it is ... the Health Insurance Fund is not sustainable anymore, it is running into deficit inasmuch as more goes out than comes in. Also in the M.T.F.P. (Medium Term Financial Plan) we have said that we would allocate £15 million in 2 years of 2017 and 2018 to help with the health charge introduction, whenever that may be, and I also said publicly that I would not sign off either of those £15 million allocations until we as a department were totally satisfied that it was going to be used correctly.

Deputy G.P. Southern:

How do you see that working? The £17 million?

The Minister for Social Security:

£15 million.

Deputy G.P. Southern:

£15 million to ease in the health charge. How does that work?

The Minister for Social Security:

Until we know what the health charge is going to be we cannot say. We do not know or I do not know how that is going to be implemented.

Deputy G.P. Southern:

I have seen the list of things that go into the review of the Social Security Fund and the Health Insurance Fund, it is about 10 items long. Where are you starting on that list of items? Because if you do those 10 items we are talking about a project that is going to last at least 2 years ...

The Minister for Social Security:

Yes, it will.

Deputy G.P. Southern:

... or 3 years and more, perhaps. So where are we? Some of the health of the primary care strategy is being developed now and you are saying: "But we are doing a review" which might take 2 years to look at it. Is there no prioritisation in that review? It seems to me it is all very long term.

The Minister for Social Security:

It is long term. But until we know ... please, Sue, yes.

Policy Director, Social Security:

It is important to keep the social security review, which you are absolutely right is a long-term project. It is a very big subject and it deserves proper attention and we will give it proper attention. There will be public consultation and a lot of research to evolve basically the next step of what social security payments are in Jersey. The Health Insurance Fund, as the Minister said, there are decisions to be taken next year around the health charge and the possible transfers of money and therefore the way in which health funding is going to be reviewed will happen much faster than that. So there are 2 reviews and it is separate ... the health insurance review will not get bogged down in the big social security review. So the Minister has made it very clear that the decision has

to be taken with the second part of the M.T.F.P. in terms of the transfers, possible transfers, that are pencilled in at the minute, the £15 million in 2071 and 2018. Social security made it very clear that those transfers will not be proposed to the States until such time as there is a very clear policy for how the health charges are going to work and how it will transfer from one to another.

Deputy G.P. Southern:

Just for clarification, where is that £15 million funding coming from?

Policy Director, Social Security:

The Health Insurance Fund has a balance of about £18 million in it. Inevitably you want to move to a system in which you have a sustainable funding for health and it would make sense to have one route. That decision has not been made yet and therefore using some of the Health Insurance Fund to facilitate the transfer to a new system would be a sensible use of it. It would be used entirely within primary care.

Deputy G.P. Southern:

So as you see what is the timescale for some clarification for some action ... a proposal even for the health charge? Where are we? You are saying this is going to happen and we are going to have met it ... we are making arrangements to make sure we cushion the impact of that over 2017 and 2018 and yet we are likely to see that plan some time in the coming year, in the first half of the year, we have to see it because we have to pass it in June.

The Minister for Social Security:

Yes, it will be in the Medium Term Financial Plan 2.2 as to what Health are going to do and I am hoping personally that the health charge, which is now in the list that is supposed to be introduced in 2018 will be sooner than that, it will be 2017, in which case the Health Insurance Fund will intervene where it is necessary but hopefully not as much as being discussed.

Deputy G.P. Southern:

What outlines are you aware of of what the health charge will look like and what it might be doing?

The Minister for Social Security:

I am not, because this is the Minister for Treasury ...

Deputy G.P. Southern:

Yet you are asked to be deferring moves for the next 6 months, we are in December now, some time in the next 6 months to make this deliverable and you do not even know what shape it is?

The Minister for Social Security:

No, and I am not very happy about that either, Deputy.

Deputy G.P. Southern:

Are you confident that you can deliver in that 6 months? In which case you will do the right things ...

Policy Director, Social Security:

So there is a clear political decision to make, it has not been made yet, around the funding model. So if you take the money for the health system that is needed, using an existing funding route, so use one of your existing mechanism for the government collecting money in Jersey, so you have tax rates, you have G.S.T. (Goods and Services Tax), you have social security contributions, you have a range of mechanisms already set up. If you use one of those to collect some more money and you allocate that money to health funding, that does not take very much ... it is a political decision to be made, to think about the costs and everything, but all those things would exist. If politicians do decide to have a new method then obviously that kind of will draw out of it. That is kind of where you are.

Deputy G.P. Southern:

At this stage, Minister, do you know even what the timescale is? When will the public know what this health charge looks like, do you know?

The Minister for Social Security:

When it has been drawn up in the M.T.F.P. 2.2.

Deputy G.P. Southern:

The Minister for Health has not told you what shape or form that might take or when it will occur?

The Minister for Social Security:

No.

The Deputy of St. Ouen:

Or Treasury.

The Minister for Social Security:

It is the Minister for Treasury and Resources who decides what it will be ...

Deputy G.P. Southern:

The public out there will be listening to this and you are saying: "We are going to have a health charge in place in 6 months' time but we do not even know when we are going to see it." Is that the way to run a government?

The Minister for Social Security:

No, the health charge will not be in place in 6 months' time, the plans for it will be.

Deputy G.P. Southern:

The proposals?

The Minister for Social Security:

The proposals for it.

The Deputy of St. Ouen:

Yes, but will the first we hear of these plans be in the M.T.F.P. stage 2? Is the Minister for Treasury and Resources going to commit? Is he going to put options out before then for discussion among even the departments involved, such as Health and your own department?

The Minister for Social Security:

I would hope that the Council of Ministers would be informed.

The Deputy of St. Ouen:

Of course, but is it going to be a fait accompli that this is what the Minister for Treasury and Resources has decided is the proposal to go in the plan or is your department involved?

The Minister for Social Security:

It is very much involved, as are the Council of Ministers, so it cannot be a fait accompli.

The Deputy of St. Ouen:

But how are you involved because you do not know what is being thought about at the moment?

The Minister for Social Security:

Well, our proposals are very clear, they have all been in the first part of the M.T.F.P., everything that we have done and practically all of it agreed, is out there in the open.

The Deputy of St. Ouen:

Yes, but proposals with regard to a health charge and your department funds G.P.s and the pharmacies and the prescription costs and the like, and we do not know if the health charge is going to replace that or ignore it all together. Will we have the 2 systems running in tandem that we will still be paying for our doctors and perhaps have to pay prescription charges and, at the same time, be paying health charges?

The Minister for Social Security:

You are absolutely right ...

The Deputy of St. Ouen:

That discussion is not taking place with you?

The Minister for Social Security:

It is not taking place with us as yet, until ... the Minister for Treasury and Resources I presume has been rather tied up with the budget recently but he will come out with proposals that will be put to the Council of Ministers and, of course, our social security part of it is with Health Insurance Fund. I am not somebody who particularly likes letting go of large sums of money from that fund but we have agreed, as I said earlier, that we would help smooth in a charge in either 2017 or 2018 with some money from the Health Insurance Fund. But quite how that progresses is yet to be decided by the Minister for Treasury and Resources.

Deputy G.P. Southern:

So effectively you are going to raid the Health Insurance Fund again? So you will give chunks of money to go towards the costs of primary healthcare in the Island?

The Minister for Social Security:

Which is what it does anyway. So it is not raiding it, that is what the Health Insurance Fund is for, is for primary healthcare, it just might be a different way of dealing with it. But until such time as the Social Security Department is given the details of how Health would use it in a primary healthcare situation it will not be released.

Deputy G.P. Southern:

Is there any blame to be spread around here? Are you disappointed in the Minister for Health or the Minister for Treasury and Resources for not having talked to you, for not having something, at least a timescale, in front of you so that you can co-ordinate and plan properly?

[09:45]

The Minister for Social Security:

No, I do not think there is any blame at all. I think we are all working together very well on it but I do feel that ...

Deputy G.P. Southern:

You do not appear to be working together at all, if you do not mind me saying so because neither the Minister for Health nor the Minister for Treasury and Resources appear to have given you a timescale or even a rough outline of what this might look like.

The Minister for Social Security:

No, we have not been given that.

Policy Director, Social Security:

Can I just make the point that this has not ... this is not holding us up, we are making a lot of progress in primary care, in our review of primary care, we are pressing on with things. We have engaged consultants to do some work on pharmacies in particular, which the Minister mentioned ...

The Minister for Social Security:

Next week.

Policy Director, Social Security:

... they will be in the Island next week. We have introduced a contract for G.P. based on an output rather than on throughput, which is much better way of paying people, so the G.P. contract ... that contract has been in place from June 2015. That is a substantial improvement on the previous system. So we are making good progress in the areas which we control. The reform of a health service is a very, very complicated beast and those are here ... to a certain extent people are getting things right. There will be an acute strategy, there will be an "as possible" strategy, there has been a very successful introduction of the mental health strategy. Primary care strategy is high level at the minute but it will work with those other strategies and it will produce a really good service designed for Jersey, meeting the needs of Jersey people. That is really important that we do not pick something off the shelf.

Deputy G.P. Southern:

I hear generalisations. Can you explain to us what the difference between output and throughput might mean in terms of G.P. services?

Policy Director, Social Security:

Absolutely, yes, of course. At the minute the health insurance law pays a G.P. £20.28 for every consultant. Because it is a consultation between a patient and a doctor, the doctor has to be there and the doctor can say: "Hello, how are you?" or the doctor can examine you for half an hour and give you lots and lots of complicated advice, yes? We do not control in any way what the conversation consists of. It is just a provision for medical service. The new contract we have brought in is called the ... we call it J.Q.I.F., it is the Jersey Quality Improvement Framework, and what that does is that says for each surgery - so not an individual doctor but a surgery - you now get ... the doctors now get passed their remuneration from the States by meeting a set of indicators. Some of the indicators are in terms of collecting information on the number of patients for different types of diseases, that is really important information to hold, which we did not have before, as to current health strategy. So you know how many people with chronic asthmas, you know those things. We are collecting information on that and we are paying doctors a relatively small amount of money but part of their funding now comes from doing that. So that is the simplest level of indicator. The next level of indicators are: "So now you have identified how many people have got high blood pressure, have you checked you have given them the right kind of drug, have you checked their blood pressure in the last 12 months? Are you keeping them under regular control?" So, again, you are keeping people healthy within the community, not letting it get worse and then they are in hospital with some acute incident. So at the minute we are working with those 2 kinds of indications. The next step up would be to have an indicator that pays you more money for getting higher targets. At the minute we are just saying: "You get the money for telling us that you have done this thing but there is a more sophisticated way of doing it where you can get more money for doing more of something up to a target rate." It is already done with the childhood immunisation, which is something run by public health rather than by us but that is a very good example of G.P.s get paid extra ... they get a target payment if they hit, I think it is, 90 per cent immunisation across all the children of a certain age. We have very high child immunisation rates in Jersey. It is a very good, successful model. The other thing to say is that the contract for the first time breaks the link with the doctor. If a nurse is the appropriate person to take your blood pressure, that is absolutely fine. The practice still gets the money for the right person providing the service, it does not have to be a doctor. That is one of the problems we have in Jersey is that doctors are paid to do things and some things they are paid to do are things in other places will be done by nurses, by healthcare assistants. We have medicalised our system at the minute and we are trying to break those links. That is also the idea about pharmacies, they can also do lots of things which currently doctors have to do.

The Deputy of St. Ouen:

So have all doctors accepted that contract?

Policy Director, Social Security:

Very surgery is using the J.Q.I.F., yes.

The Deputy of St. Ouen:

Every surgery.

Policy Director, Social Security:

Yes, and it distributed just over £1.5 million in 2015.

The Deputy of St. Ouen:

So does it mean that a payment per appointment visit has ceased?

Policy Director, Social Security:

No, no, no, right so ...

The Deputy of St. Ouen:

It is a different component, is it?

Policy Director, Social Security:

The funding was changed. So in 2014 there was money for the patient appointment and the doctor also got paid when they sent a letter referring you to the hospital, a nurse's referral.

The Deputy of St. Ouen:

Is that continuing?

Policy Director, Social Security:

So the difference that was made at the beginning of 2015 was that we stopped paying the £20.28 fixed fee for letter of referral. There was a loss ... there was an interesting query as to how much referrals were ... how many referrals were appropriate and some confusion with both G.P.s and hospitals as to how that worked well. So to a certain extent we saw ourselves as a kind of confusing agent in that and so we wanted to remove the money for it to make sure the referrals were being made for the right purpose. However, that money and some extra money ...

Deputy G.P. Southern:

How would it be made for the wrong purpose?

Policy Director, Social Security:

We do not know. Because we do not have ... because we are not a very prescriptive service, because it is not done under a contract, it is done under a law, it is very hard to take decisions as to whether referrals are appropriate or not. We just felt that ... but to a certain extent we saw the opportunity to remove a confounding factor from a situation which we were slightly unsure about and to put the money into a better place, yes? So the doctors have had more money altogether, we removed probably about £500,000 from the letter of referral, replacing it with £1.5 million of the J.Q.I.F. contract which applies to all surgeries and, as I say, is incentivising good behaviour on parts of those practices. It has been a really good thing. The doctors are coding diseases much better, they are checking up on people, people that come in and have reviews and things, that is a real improvement we have achieved this year.

Deputy G.P. Southern:

That improvement and that data gathering exercise and target moving exercise presumably is all very well provided that the patient comes in and comes into the ... what is going to happen over charges? New prescription charges were mentioned, we know doctor's charges are already putting people off going to the doctor, I think there is significant evidence on that. What are we talking about in terms of charges in the context of the health tax?

The Minister for Social Security:

Health charge.

Deputy G.P. Southern:

Sorry, the health charge and G.P. fees, what are we talking about? What is the thinking so far?

The Minister for Social Security:

This is what the implementation of the primary care review will come up with and also our review of social security, all of this is going to be looked in a whole. We were waiting for the primary care strategy and we cannot say whether we are going to change ...

Deputy G.P. Southern:

Now you are going to be implementing things ... are we talking about a return of the prescription charge, a simple answer, yes or no?

The Minister for Social Security:

We do not know, it is going to be part of the review. You cannot look at these things individually, they are all part of a package. The reintroduction of prescription charges is a minefield in itself as to whether the administration of it, any exemptions for people with, you know, chronic illnesses

who require many prescriptions, it is not just a simple matter of do you reintroduce or do you not, it has all got to be analysed. You, Deputy, keep asking us have we analysed things, this is exactly what we have to do. You cannot just reintroduce something without working out exactly who it is going to affect and what the costs will be.

Deputy G.P. Southern:

We are back to a position where we do not know what is going to happen in the next 6 months, we do not even have a timetable for that, apart from something has to be proposed by 6 months' time because we have to vote on it in the second half of the M.T.F.P. and yet you cannot say: "Well, this is what we are thinking about prescription charges." We do not even have a thought about prescription charges or medical charges, G.P. charges, et cetera, that is the reality. Who is driving the car, because I have the feeling I am sitting in the back and you are heading for a brick wall?

Policy Director, Social Security:

Two points. So the consultants who are going to be coming to help us ... consultants have a bad name but these are people who are very experienced in working with pharmacists in other countries and they understand the kind of services that can be provided in a retail pharmacies and they have experience that we lack. Because Jersey does not do that at the minute we need to get advice from somebody else who knows the area, knows the kind of thing pharmacists are trained to do these days and can help us identify what is cost effective in a shop basically and what does not work and what works in other ways. So the people that are going to come and help us starting next week are going to do 2 things, they are going to look at the services you can deliver in a retail pharmacy and they are also going to have a separate piece of work around prescription charge. We have not made any decisions about whether one should be reintroduced or not, we have made a decision to have a review of the charge and if I can refer to the short primary care document, Ambition to Payment, we talk about: "We will assess different G.P. funding structures to fully understand the positive impact on patients and professionals who continue to keep some direct payment for G.P. services." So there will be some kind of co-payment and then there will be more clarity on how specifically vulnerable Islanders can access dental services but I would expand that to all services, all primary care services. So one of the big strands that has come out of the primary care work is the very strong feeling from all the professionals involved and from the politicians involved that there are groups of vulnerable adults, vulnerable Islanders who are perhaps accessing the wrong kind of service and they are being motivated by money. So people going to A. and E. (Accident and Emergency) and people not going to dentists, that kind of thing. We are well aware of that and we have to find a better way of distributing the public funds that we have to make sure that people who need help get the right kind of help and access the right kind of service at the right time. So that will be split into chunks. Prescription charge, if there are people like me who can afford to pay for prescription, why should I not pay for it. That is an expression I

hear many, many times from different people. There are other people who are reliant on large number of drugs these days which keep lots of people healthy in their home and much happier and healthier than they would be otherwise, but they do have 10 or 15 prescription items a month. Those people really worry about having to pay per item. One of the things we are going to ask people to do is to look at a system where perhaps you ... somebody like me who is basically pretty healthy pays on a per item basis but if I have lots of drugs all the time then I will pay one charge a year or something that will cover me for everything I need. So my cost per item will become very, very small. So those are the kinds we need to look, but we have to acknowledge the fact that the health service is going to cost more money in the future and where there is an appropriate way of getting funding for it, that is something that we should do. So we are looking with a completely open mind at the way in which prescription charges might or might not be reintroduced. If they were introduced the Minister has made it very, very clear that there would have to be appropriate protection for vulnerable people. So we are not going to put in something that says: "Everybody has to pay £5 a go" and it is cripplingly expensive for some people.

Deputy G.P. Southern:

Like you tried last time with income support?

The Deputy of St. Ouen:

Well, let us carry on with the primary care strategy.

Policy Director, Social Security:

That is slightly different.

Deputy G.P. Southern:

It is slightly different, I accept that.

Policy Director, Social Security:

It is the fact that you needed multiple items and more people these days are working ... are living healthy lives with the support of 10 or 12 drugs a month and we really do understand that. But the other strand is around access to G.P. services which we do understand is important and we do need to do better and that is one of the key parts that will be explored next year. Professionals are very keen to help us do that and we are looking at a range of ...

Deputy G.P. Southern:

But again it is coming back down ... this sounds like a massive amount of work which if you are going to consult and have alternatives then this is 4 or 5 years down the line and yet we are talking

about changes that are happening next year. The proposals have to be accepted or something has to be on the paper next year. This is a massive change and again I would say ...

The Deputy of St. Ouen:

This was spoken about in P82/2012 and I would have hoped that so much of this work would have been done in the 3 years since P82. It does not appear ...

The Minister for Social Security:

The timeframe was September 2014 for the primary care but I have already explained why it did not happen that quickly. But it now has and we now have to start implementing the suggestions or piloting the suggestions.

The Deputy of St. Ouen:

There is piloting, yes, but this fundamental thinking of how we fund our health services should have been done, it seems to me, over the last 3 years which is not the case, Minister?

The Minister for Social Security:

There is a lot of work going on behind the scenes of course but until there is something cohesive and comprehensive and funded, is the main thing, as the Policy Director said, you have to have funding for something before you announce what the plan is. So the work is going on, it is not something that is going to be pulled out of thin air in the Medium Term Financial Plan 2 at all. The working is going with the Minister for Treasury and Resources and the Minister for Health, it is just that it has not been presented to the Council of Ministers yet. But that is probably imminent. As you say, there is 6 months to produce ...

[10:00]

The Deputy of St. Ouen:

But you are conducting your research, your researchers are coming in, you say, just before Christmas.

The Minister for Social Security:

The pharmacists?

The Deputy of St. Ouen:

Yes.

The Minister for Social Security:

That is just the pharmacists.

Chief Officer, Social Security:

There are multiple issues here and they are all interlinked, of course, but the health charge specifically, the commitment is that as part of the M.T.F.P. 2 there will be details of the health charge as part of that package and when we refer to ... I think the Minister referred to that piece of work specifically, that is being led by the Minister for Treasury and Resources. Of course we will be involved in it, it is not at the stage yet where we have had that much involvement in it but we will do and it will be published as part of the M.T.F.P. 2. The commitment to that, the detail behind that, is what the Minister has said she would like to have in place to be able to agree to release money from the H.I.F. (Health Insurance Fund) to help its introduction. Just to be absolutely clear, that one singular issue has been a commitment that has been made as part of the M.T.F.P 2 first part and we will be part of the second part. Obviously, as the Deputy mentioned, that will go forward for debate by the States. So there will be plenty of opportunity to scrutinise or debate the merits of the particular option and what other options may indeed be being considered.

The Deputy of St. Ouen:

Okay, just to ask some specifics, Minister, you have referred to the pilot where pharmacists will be able to take blood pressure and so on, now is that pilot going to be funded by your department? So are the pharmacists going to receive a fee for the extra duties they might be undertaking under that pilot?

The Minister for Social Security:

They already receive a dispensing fee from the Health Insurance Fund. Now were they to take on additional work is something that we would have to work out with them, which is what these consultants next week are going to ascertain when they speak to the pharmacists, work out whether, as a collective bunch - I do not know the term for a collective bunch of pharmacists - they will all want the same thing. So this is what is happening next week. So it is happening, it is just, I agree, slow in the procedure.

Deputy G.P. Southern:

What long term do you see as the role of the Health Insurance Fund? Is that going to disappear, be swallowed in another fund which comes from the health charge or what? Because you are in charge of the Health Insurance Fund, what is the future of that?

The Minister for Social Security:

Until we see what the health charge is going to look like we cannot really say. As I say, we are very reluctant to transfer any money from the Health Insurance Fund until we know absolutely where it is going and why. Were the health charge to come in in 2017 instead of 2018 then that second transfer may not need to happen.

Deputy G.P. Southern:

I wish you all the best.

Policy Director, Social Security:

I can just say the Health Insurance Fund, because it funds primary care, one of the real important issues of the health system is to blur the distinction between primary and secondary care. You really want to be working towards a system in which health is funded not primary care is funded or secondary care is funded and then it is a much smoother flow between the hospital and the G.P.s and pharmacists as to how ... so you put care around the patient and you fund the patient throughout the system, it does not matter too much whether it is coming from this fund or that fund. So although this is early days yet but moving towards a more cohesive planning system will be part of the challenge that we face and will be one of our, I think, successes to get that right. So people understand that their health is funded not their G.P.s funded.

The Deputy of St. Ouen:

I understand. So how can doctors be encouraged to pass over - and you have already spoken about this, Minister - some of their duties to practice nurses or in association with the pharmacists? Within your powers, how can you encourage the doctors to do that and deliver care at the best possible level?

The Minister for Social Security:

This has been one of the aspects of the delay, trying to get this consensus between the doctors and the pharmacists in order to do this, and perhaps pass some of the work, as you say, to practice nurses before ... I think G.P.s have been quite sort of blinkered, dare one say, in an attitude that it is just confined to the doctor. So to open it up in a far, I think, more successful way and certainly to make use of the skills of the pharmacists. As I said previously, as they do in Europe would be a far better way to go forward but, of course, you have to get different professions working together to make it work.

Policy Director, Social Security:

It is also one of the really key points about the design of the new hospital that we have an ageing population and the need for hospital services will increase whatever we do. To minimise the size

of the new hospital we will have to get as much care out into the community as we can manage to do. So when we talk about the G.P.s having less work to do, probably they will end up with having more work to do, because you will be moving work that is currently done in the hospital out into the community and that community work ... so there will be more work in the community and it will be shared between a bigger group, a bigger range of professionals. You will find that what you get at the ... the thing that is happening at the minute is that we are not using the full range of skills of G.P.s or pharmacists or nurses and if we could utilise the full skills that people are trained to do we could create a more cost-effective health system which will provide better careers for the professionals involved, better care for the patients and at the same time make sure the hospital is being used for the things that the hospital is going to be good at in the future. So it sounds trite but basically right person, right place, right time is really important and it does make sense in the way that you review the health service. Provide the right care in the right place for the right person at the right time.

The Deputy of St. Ouen:

I am sure it is important, but you control the purse strings and how can that encourage doctors to employ appropriate people within their practices ...

Policy Director, Social Security:

So that is why the move to contracts is really important. At the moment the £20.28 that goes to the G.P. for the G.P. visit is not supporting that move. The J.Q.I.F. contract is supporting that move because it is now saying: "We do not mind who provides that level of monitoring or that checking, you can do it from a variety of people as long as they are appropriate qualified to do the work and we will still give you the money." We want to more of those kind of contracts in the future and less which say: "Because you are the professional and you are a particular type of patient here is the money" we want to more say: "Here is the kind of care this patient needs, here is an amount of money providing that kind of care from a variety of different people." So that is one of the other areas that is likely to be one of the pilots for 2016. Doctors are very keen to try that, they talk about a care pathway so taking a particular type of illness and thinking about which bits of it do you need to be in hospital for, which bits do you need the G.P. for, which bits can be done by a specialty nurse. Getting the right people doing the right thing at the right time.

Deputy G.P. Southern:

Can I move us on from the future health of the Island to look at something that is happening on the ground, the long-term care scheme? Last time we spoke, I think, there were quite substantial lists of people waiting to be processed to receive long-term care, what progress has been made with that, Minister?

The Minister for Social Security:

Quite a considerable amount. Obviously the scheme is relatively new for such a big scheme and we are working very closely with Health and Social Services with it and, admittedly, there are a few teething problems in producing such a big scheme and getting it work efficiently, which it now seems to be doing. Obviously we are talking about very individual cases in all terms here, with long-term care. As I think I said to answer in the States Assembly, when it comes to income support people coming on to the long-term care scheme then it can be processed quite quickly because we have got their details already, but when you have to do a health assessment, which is the Health Department, it is not down to Social Security, Social Security will do the financial assessment as to what level of care is needed and what entry level, from the financial point of view, then it takes a long time to do. You cannot do both assessments in a week. It sometimes takes months.

The Deputy of St. Ouen:

We have been hearing that residential and nursing homes are sometimes having to wait 9 months before there is any award of a long-term benefit and therefore they have been out of pocket; they have been caring for a resident for that period and not receiving the fees. Is that the case? Up to 9 months?

The Minister for Social Security:

It is the resident that is responsible for the fees, it always has been.

The Deputy of St. Ouen:

Yes, but the resident may after 9 months be found to be entitled to the benefits ...

The Minister for Social Security:

In which case the scheme starts paying via the resident. I think 9 months is probably an exaggeration.

The Deputy of St. Ouen:

Indeed, but if the resident has no ready cash to part with then the nursing homes are taking in that resident and waiting 9 months for their costs.

Operations Director, Social Security:

Chairman, if I can just give you some actual figures as to where we are currently within the long-term care scheme. As the Minister said, we have been very, very busy. We have been working extremely hard with our colleagues in Health to make sure we have reviewed the process and we are making efficiencies in both areas because the process does start with our social worker

colleagues and so that is the start of the process. So we have to make sure we are getting that right and getting the right information. Right first time is obviously what we are trying to do. So we have been very busy looking at the process, at the front end of the process, with our Health colleagues. We meet them regularly but at the moment where the numbers stand in regards to long-term care, as of Friday we were ... there was 38 claims within our processing queue which basically means that all the information is readily available and we can process the claim. We have made a lot of progress in the last few months. We currently, as of Friday, had 50 claims of outstanding information, so that can be information in many different ways. It can be from a curator, it can be from an individual, it can be from Health. But at the moment the current outstanding cash amount in relation to those 38 claims that are ready from processing is about £484,000. Now, given that we spend £3 million a month, it is just under a week's worth of cash, if you want to call it that. So from a processing perspective the team are doing a lot better by working better with Health. The team are currently processing around 12 claims a week, about 2.4 claims a day, we are getting more and more each day as we get better at the process. We are doing a lot of work with customers that walk into the department, so we are doing a triage service where customers are engaged with a professional to talk about what their claim could look like, given more information and not just hand a leaflet out. It is really important we engage in a conversation so that people understand how the benefit works. We have been extremely busy with our colleagues in Health and I think we are in a much better place.

The Deputy of St. Ouen:

Okay, are you keeping statistics to show the time periods that you are incurring?

Operations Director, Social Security:

We track everything. From the start of the claim until when the claim is finished. So, yes, we do have statistics but obviously the Health side of things, the Health team look after the start of the process so they have their statistics for that but we are working on the joint spreadsheets so we can see both sides.

The Deputy of St. Ouen:

That is what I meant really because there is no point in having one department for each part in it. So are there joint statistics from start to finish?

Operations Director, Social Security:

Yes, we have a joint spreadsheet that we are working on so that we can see what status the claim is with Health, what information is required. We know who owns the claim, so from a social worker perspective, we know who to communicate to. Really important you have a close working relation and the Health team are looking to move obviously into Eagle House in the new year, which will be

alongside us, which then will allow us to have obviously a closer working relationship, we can just nip across or put the teams together and make sure that we are having those conversations face to face rather than over an email.

Deputy G.P. Southern:

Are your computers talking to each other, because I understand there was problems initially with their computers not talking to yours? Has that been resolved?

Operations Director, Social Security:

So we have a shared spreadsheet that we are utilising to see live cases and where we are, that is a shared spreadsheet that can be used on both the Health side and our side.

Policy Director, Social Security:

It is quite important that we have 2 separate computer systems because at the end of the day the Health professionals are taking very detailed knowledge about people's medical needs and health and we do not need to know that information. On the other side sometimes we take very detailed financial information and the social worker does not need to know that. So the separation of the 2 systems is quite important as Steve was saying, what we do is create the link of information about who is the key worker on each side, where is the progress of the claim today so that that operational information flows, that the detailed information that is specific to each department stays closely within that department and is not shared. We need to be very careful that that type of sensitive information is kept quite safe in the correct department.

Deputy G.P. Southern:

So a new claim coming into your department or to the Health Department for the notice of social workers for review today, how long before that person is likely to be through the system? What is your average turnaround?

Operations Director, Social Security:

It depends on the makeup of the claim and your circumstances. But that obviously is with the Health team to determine whether there is a high risk or a low risk on that individual.

The Deputy of St. Ouen:

But can you measure this? So the Minister is talking about people who are already in receipt of income support. You have that information so you must be able to process that claim reasonable quickly. Is that measured how long those people are taking from the beginning of their claim to the award?

Operations Director, Social Security:

Every claim is measured, yes, as far as timescale.

[10:15]

The Deputy of St. Ouen:

Okay, but are you keeping the statistics at a high level, not at a spreadsheet to show ones individual circumstances, but at a high level to show the time taken from the date of application to date of award?

The Minister for Social Security:

For instance the ...

Deputy G.P. Southern:

Do you have that data and can you share that with us?

Operations Director, Social Security:

In relation to what we have got currently processing, we know we have got all the information and with regards to the outstanding information we are dependent upon a third party to provide that information. So we are pushing to obviously get that information when we can.

The Deputy of St. Ouen:

From Social Services?

Operations Director, Social Security:

It can be from a curator, it can from an individual, it can be from Health and Social Services.

The Deputy of St. Ouen:

Yes, you will need to gather information as you go along but are you keeping the records of how long it takes between commencement and ...

Operations Director, Social Security:

From the initial start of the conversation with social workers, yes. The Health team have that initial contact.

Deputy G.P. Southern:

Can you share that data with us?

Operations Director, Social Security:

The Health team have that information.

Chief Officer, Social Security:

I believe we can look to get information for you. What we do not have is we do not have this information going back from day one, obviously we brought 1,000 claims in at the beginning but on today's current snapshot we can you give you a flavour of length of time perhaps that the claims have been hanging around.

Deputy G.P. Southern:

I am aware that with income support claims a big major problem often is that a piece of information is missing and nobody can keep their application until they have that and it can be damned hard to get. If that was happening with long-term care, with very vulnerable clientele, I would be worried about the delays in the system that we ought to be working on ironing out because it is important that the people have the money to pay for their care and it wraps around, as it were.

Chief Officer, Social Security:

I am very pleased that between ourselves and Health we have thrown some of our lean resources on to the end to end process and we are working through to make improvements to the end to end process to speed up and consider what steps we need to take across the whole process from start to finish. We are making improvements as we go along, as you would expect, and that is positive work from Health and ourselves to make these changes. Steve referred to we have already made some improvements in the level of work outstanding.

Operations Director, Social Security:

When the Health team move into Eagle House we will be adjacent to our long-term care team. The thought process is we would have a visualisation board so we can live cases on a board and we obviously can see timescales on that board and managed by obviously ...

The Deputy of St. Ouen:

Yes, I know that will help but you see, I hope the Minister would agree, that while everyone would accept it is a new and quite complex system so it must be allowed to bed in, but for those such as the residential homes themselves that might be funding the first period of care, they have been patient in waiting for the system at the moment, but they have to see, would you agree, that the time for processing is coming down otherwise it is a burden, a very great financial burden?

The Minister for Social Security:

It is and we have very good relationships with all the residential care homes and our long-term specialists see them on a regular basis, visit each home to discuss any problems they might be having, discuss funding, discuss a new application for long-term care. As I said in the first place, it is a very individually constructed package for each person and as much as one would like to you cannot produce a complicated package like that in 2 weeks. It does take a lot of assessments to make sure that the package for that individual is correct. In addition, as you will be aware, Chairman, part of the long-term care scheme is the hypertext or bonds against the property. There are 46 of those now currently in progress and that in itself is very difficult to establish, possibly the ownership of the property, whether it has been donated to offspring children, whatever, with an option of life enjoyment. In a lot of cases in Jersey a wing, or a second generation wing has been built on to the house and that has to be established, whether it is 2 separate dwellings or one. So there are many issues in just that bit alone that take a long time to establish.

The Deputy of St. Ouen:

Yes, I can appreciate it, but in the interests of good government if it awards a benefit, makes available a benefit to residents then that must be delivered in a timely way.

The Minister for Social Security:

Absolutely.

Policy Director, Social Security:

Can I just say that I think the long-term care ... the assessed long-term care scheme can be seen in the confidence in the residential care market of providers. So we have seen both with care homes but also with community providers there has been expansion in the number of people providing service. It is sad news that the Limes is going to close because the building is kind of out of date now but the transfer of those people into the private run beds is not a problem at all.

Deputy G.P. Southern:

It is not a problem at all?

Policy Director, Social Security:

There are plenty of beds. We are saying there are plenty of beds. There are plenty of people interested in providing residential beds, care beds.

Deputy G.P. Southern:

Where is that evidence coming from?

Policy Director, Social Security:

Well, the Health Department have the details of where they are going to go to but they would not close the Limes if they did not think they could put people into other ... there are places for people to go to, yes?

Deputy G.P. Southern:

We have heard of a facility was closed and it was said not to be a problem ... can we chase that with the Health Department.

Policy Director, Social Security:

But my point was that you have a bi-print, you have people building extra bits on to care homes, you have good providers out there and the long-term care scheme is providing the kind of financial interaction that they need. Also in domiciliary care, we have seen a lot of interest in that market as well. So that has been a real success. We have been really pleased with that progress in that area.

The Deputy of St. Ouen:

In terms of the mechanics of the scheme, are you satisfied, Minister, with the way we assess care levels or are there refinements that you feel would need to be made as the scheme beds down?

The Minister for Social Security:

I think it is the assessment of care levels has been quite slow to start off with but that was acknowledged and has improved considerably. So, yes, there is always an improvement to be made of course, it sounds silly saying it is relatively new when it has been going for a year and a bit, almost 2 years, but it is a very complex scheme and, as I say, each package is individual and I think that now the care assessments ... they know much more what they are looking for, how to ascertain a level and it is has improved considerably. There is always room for improvement of course, as with anything.

Deputy G.P. Southern:

Can I just pull you back from that heavy level of personal need, if we look at ... we have 2 benefits, the long-term incapacity benefit and the impairment benefit on income support, which are running with 2 different sets of criteria to assess the level of impairment or incapacity, is there any thought being given to taking a look at the way of those functions because in my experience certainly the impairment tests do not work for everyone?

Policy Director, Social Security:

So, L.T.I.A. (Long-term Impact Assessment), not long-term ...

Deputy G.P. Southern:

L.T.I.A. and impairment on ...

Policy Director, Social Security:

All right, okay. So the L.T.I.A. awards are based on the loss of faculty, they were developed in the late 1990s, early 2000s and they were part of a major review ... the last time there was a major review of Social Security which was kicked off in 1995. So what they do is they are assessments by a medical board of a percentage loss of faculty and this has to cover physical, mental, a whole range of different types of incapacity. So they lead to a percentage award. When income support was being developed in the 2000s, that system was looked at and it was decided that was not appropriate for the kind of support we wanted to give through income support and we instead looked at the way in which the loss of faculty affects your ability to do everyday tasks. So there are things called activity of everyday living and these are work capable assessments. They are quite similar, they basically look at how your condition has impaired your ability to stand, walk, think, eat, talk, those kinds of very basic things. It does not matter what is wrong with you, you just look at the impact of the illness on you, yes?

The Minister for Social Security:

It is not a diagnosis.

Policy Director, Social Security:

It is not the condition itself. But those tests are very ... so they are very general and they provide a consistent level of support to people. It does not matter why you cannot tie your shoelaces, there is a support for you that counts towards things on a points basis. It is also very transparent. So, again, the medical board ... so the L.T.I.A. is unusual in the Social Security law in that the decision is made by a doctor not by an officer. The doctors obviously use their professional judgment, a bit like economists, if you get 3 doctors in a room you tend to get 3 different opinions as to what the level of impairment should be and therefore you do ...

Deputy G.P. Southern:

But you only use one doctor at a time?

Policy Director, Social Security:

We use 2 doctors, yes.

Deputy G.P. Southern:

But one at a time? You do not put 3 doctors in the same room?

Policy Director, Social Security:

Two doctors. So the income support system is designed again with the view of the individual in mind so the first thing we do is we have information on how the person sees that ...

Deputy G.P. Southern:

Can I come back to my question because you are teaching us to suck eggs here?

Policy Director, Social Security:

So your question was are we going to review our systems ...

Deputy G.P. Southern:

Any thought to looking at the ways that ...

Policy Director, Social Security:

Yes, the Minister has talked about a thorough review of the social security system. The main focus of that will have to be on pensions because that is a pressing problem. However, we will also look at working age benefits and, yes, we will be reviewing the incapacity system of the L.T.I.A., yes.

Deputy G.P. Southern:

Okay, thank you.

The Deputy of St. Ouen:

Minister, the Household Income Distribution Survey was released recently, do you have a view on the information that was contained in the survey?

The Minister for Social Security:

Yes, it is a lot of facts and figures on the income, but of course it needs to be combined with the expenditure survey, which I think the information is being gathered but that survey will be released as opposed to income as what the spending habits of households are. I think it is next April, around about that time. Of course we have the J.A.C.S. (Jersey Advisory Conciliation Service) one that has just been released as well, so I think we need to see all 3 together to put ...

The Deputy of St. Ouen:

How is the expenditure review going to help?

The Minister for Social Security:

Because it gives you an overall idea of income and expenditure in the households that have been surveyed. So there is no point in just saying what the income is if you do not know what the outgoings are in order to assess what a reasonable living situation would be. You know, what is detailed as low income or high income, you need to know what the expenditure is.

The Deputy of St. Ouen:

Is it a concern that over the last 5 years the levels of income available to the first quintile of the population has fallen in real terms?

The Minister for Social Security:

Well, we have had a major worldwide recession so I think this survey, which is taking into account the last 5 years, is bound to reveal that.

The Deputy of St. Ouen:

But it has shown that the incomes of the 4 other quintiles, the ones with greater income, have increased in the same period the lowest quintile had decreased and yet it is in our strategy plan that we will give support to low income households.

The Minister for Social Security:

I think the survey figures are skewed, not wrong but altered considerably by housing costs which are incredibly high. So it is very difficult to perceive exactly what the income is when the housing costs are involved. It would be easier to understand were they separated.

The Deputy of St. Ouen:

Well, they are separated in the survey and the incomes of the lower quintile have still dropped before housing costs. For example, pensioner households, 24 per cent of pensioners live on relative low income in Jersey and that is before housing costs. That compares with 16 per cent in the U.K. (United Kingdom).

The Minister for Social Security:

Sorry, I do not have the ...

The Deputy of St. Ouen:

No, but at any rate it is a very large proportion of pensioners, even before their housing costs are taken into account, do you have a view on that?

The Minister for Social Security:

Only that pensioners have not been affected from the point of view of their pensions being restricted. They have gone up every year as they always have, and have done again this October. So the pensions themselves have not been restricted but it is difficult to say without what pensioners expend their money on, which we do not have the information, as to whether it is relative low income or not.

Deputy G.P. Southern:

It is either low income or it is not, at the heart of that figure, 60 per cent of the median, it is either there or it is not. It is not dependent on what you spend it on at all.

The Deputy of St. Ouen:

Why should government be interested in what pensioners might spend if we already know they are below a low income threshold? Do we support them if they are below a low income threshold or do we say: "Well, we need to look at what you are spending it on?"

[10:30]

The Minister for Social Security:

Obviously we support them if they are under income support level. That is what income support does.

The Deputy of St. Ouen:

Yes.

Policy Director, Social Security:

The income distribution study does exactly what it says. It gives you an income distribution. Incomes in Jersey are typically quite high and the pensioner figure is very interesting in comparison with the U.K. because, you are quite right, and if you look at the previous one you will see a similar kind of gap between the pensions in the U.K. and the pensions in Jersey but if you look at the amount of money the pensioner has to spend before and after housing costs and you compare where that income line falls, you will see the Jersey pensioners get considerably more money ... sorry, a Jersey pensioner ...

The Deputy of St. Ouen:

I agree, has more money.

Policy Director, Social Security:

... has more money so is less at risk of poverty in the sense of the fact that tacking account of the price differential between Jersey and the U.K., the Jersey pensioner has still got more cash in their pocket in that group, yes, compared to the U.K. pension in the same group. So these things are ... we are talking about relative poverty, yes. It is very relative low income, it is very ... it is relative to other people in your society. Among pensioners it does show you that pensioner incomes have held up quite well over the last 5 years, the department has done things around maintaining pensioner income, particularly around the old age pension, in providing a guarantee against R.P.I. (Retail Price Index) increases which has been extremely valuable to individual pensioners. We do have to look at the whole thing. The other thing to take into account is it is an income survey and it is not a survey of wealth or material well-being. The social survey of 2014 asked question about how people felt about their financial situation and in that survey you will see that pensioners are much less worried, considerably less worried about their financial situation compared to people who are not pensioners.

Deputy G.P. Southern:

But, nonetheless, if you compare across the timeline from 2009 to 2014/15, then you are talking an increase, only a little increase, in pensioner households living in relatively low income. A large scale increase in one parent families living in relative low income; 47 per cent of low income families to 56 per cent. That is only 4 per cent of households across the Island, so that is a significant level of relative low income and yet in your Medium Term Financial Plan you reduced the support available to single parents. Across a number of years you are reducing that support and yet they are shown to be in relative low income and the numbers are increasing. So that does not include the latest changes you have made. Do you not think that is going to make things worse for single parents?

The Minister for Social Security:

From a single parent's point of view, as we have said several times, we have increased the disregard on maintenance from 10 per cent to 23 per cent to encourage people to chase their partner for maintenance and they are considerably better off to the tune, on an average obviously, it is a range from whatever maintenance might be £10 to £100 a week, but on an average which is deemed to be about £40 a week it increases the amount of money that is kept by £6 a week. So from that point of view, yes, we are gradually reducing the lone parent's component over the period of the whole Medium Term Financial Plan ...

Deputy G.P. Southern:

Is that not likely to lead to more lone parents being in relatively low income?

The Minister for Social Security:

No, because it is ... the way we have done it, (a) it was not fair in the first place between a lone parent and a couple with children ...

Deputy G.P. Southern:

Is it not the case that the evidence suggested at the time that children were living in relative low income particularly children in single parent households. It was deliberately chosen to increase that support for single parent families in order to protect those children in relative low income. Despite the fact that increasing numbers of one parent families are going into relative low income you, without ... before this evidence came to light, have arbitrarily cut the support. Does that not suggest to you that you are increasing the numbers in relative low income?

The Minister for Social Security:

I would dispute your assertion of arbitrarily, nothing has been done arbitrarily. We have looked across all the ...

Deputy G.P. Southern:

What evidence do you have that this was a safe thing to do? Because the evidence was waiting 6 weeks down the line with the publication of the Income Distribution Survey.

The Deputy of St. Ouen:

Okay, let us let the Minister answer.

The Minister for Social Security:

We investigated very, very carefully and analysed all the figures and statistics that we had and the whole idea of the savings that we have made across the benefit system is because a lot of these were not "targeted or fair". What we have tried to do is provide incentives for parent returners or lone parents to seek work. As we keep saying repeatedly, and which is fact based, people are much happier when they are in work, financially, mentally, and self-esteem and socially and so to encourage people to get back into work is the main factor behind this. For instance, a £40 a week extra, as it stands at the moment, does not necessarily provide that encouragement and we want to encourage people back into work because we know that it is a far better way to be financially and, as I say, with self-esteem.

The Deputy of St. Ouen:

Minister, you have spoken about single parents chasing maintenance from an absence parent, and at a previous hearing you were under the impression that legal aid was available for single parents to chase arrears of maintenance. You will know we have made some enquiries and it

appear that the legal aid guidelines say that legal aid is not available in those circumstances. Do you accept that is the case?

The Minister for Social Security:

No, the legal aid is available in circumstances where there is a reasonable chance that maintenance can be recovered. It cannot be if the missing partner or whatever is in prison or is on income support themselves or of course if they have left the Island, in which case there is no point in us pursuing it. Otherwise on a low income legal aid is available depending on the income levels of the people who are claiming it.

The Deputy of St. Ouen:

So why is you say it is available when the Bâtonnier is telling us that it is not available to chase arrears of maintenance?

The Minister for Social Security:

It is available on a scale of paying. If somebody, for instance, earns between £15,000 and £25,000, they will pay 25 per cent of the legal rate, so it is determined on income and also there is the Viscount's stamp which is payable as well, dependent upon the amount and the Viscount will waive that in certain circumstances.

The Deputy of St. Ouen:

I think we have copied to you the letter we received from the Bâtonnier and the Bâtonnier is quite clear that in cases of chasing arrears of maintenance legal aid is not available to anybody because they are treated as a debt recovery.

The Minister for Social Security:

But in the first instance in pursuing maintenance of establishing maintenance probably might be a better way of looking at it, then if the ...

The Deputy of St. Ouen:

Yes, in the first instance, when the first maintenance award is given often after a breakup of the marriage. In the divorce settlement a level of maintenance will be set, yes, that is clear. Legal aid is available in that case. But if the absent parent falls behind and builds up arrears of maintenance, legal aid is not available then.

The Minister for Social Security:

It becomes debt recovery from what I understand, yes, that is correct.

The Deputy of St. Ouen:

Yes. So this often deters a lot of single parents from pursuing it on their own through the courts. Now, that must eventually end up at your door because they come in, they do not have the income from the absent parent, they are coming to social security to ask for income support.

The Minister for Social Security:

Yes, it is very difficult to work out when to intervene or not in these circumstances. I strongly believe, and I have said before, that in these situations it is the responsibility of the parents in the protection, financial and otherwise, of their children to pursue a satisfactory situation. I totally understand that in some cases this is very difficult, if not impossible, to do, especially if the partner leaves the Island. But how far does the government or departments step in before it becomes a complete nanny state? People have to take responsibility for their own children.

The Deputy of St. Ouen:

They should do but can the government have a useful role because in Social Security you would know the place of work of the absent parent and the parent who has the care of the child may not know that.

The Minister for Social Security:

No, but Social Security is not a sort of private detection agency. We can only go on the information that we have been given so if the information is false then that is all we have been given.

The Deputy of St. Ouen:

But absent parents will be paying their social security contributions, they will be recovering that from their place of work. You would have that information.

The Minister for Social Security:

We are not in a position to ask employers to put a stop on their wages, if that is what you mean. We are not in a position to do that.

The Deputy of St. Ouen:

But you could be with appropriate legislation, could you not? To recover the maintenance that is otherwise due to the parent with care who does not have the same resources as the department to recover that?

The Minister for Social Security:

We do not have that at the moment, whether in the future ...

Policy Director, Social Security:

You are absolutely right, you would need considerable swathes of new legislation to enact some kind of system like that. I think experience is that in actual fact we have a very good relationship with the Citizens Advice Bureau and we assist people to be litigants in person to the petty debts court and on the odd occasion where there is a glitch in the department Citizens Advice can advise us of a ... you know, that we have been a little bit harsh and we will take their advice and we have that good relationship.

Operations Director, Social Security:

Yes, we have a very good relationship with Citizens Advice. There has only be a couple of instances in the recent years where we have taken the advice of Citizens Advice by a letter to say that this individual cannot chase maintenance for whatever reason, and we will take that information on its merit and will apply notional maintenance to that claim.

Deputy G.P. Southern:

That is on a couple of occasions, you say?

Operations Director, Social Security:

That is correct, yes.

Deputy G.P. Southern:

That is not the rule though?

Policy Director, Social Security:

No, we are only aware of, I think, 2 cases where the Citizens Advice Bureau have had to ask us to take a different ... so in other words, in most ... the great majority of cases, the Citizens Advice Bureau were helping this person or we have accepted the fact that maintenance is not going to be payable and therefore we do not perceive a major problem. Therefore going back to the legislation, we have many, many pressures on the legislative teams and this is not an area where we ourselves perceive a problem. If there is evidence of substantial numbers of individual people who are being affected in this way it would be interesting to see it because obviously that will help us in our future policies. But our current operational experience is that in actual fact things are being organised using existing voluntary methods and the existing petty debts court.

Deputy G.P. Southern:

You know that 50 per cent of single parents do claim maintenance from the missing partner and of the ... do you have any idea as to what the reasons are or why the other 50 per cent cannot chase that or are not successful in getting some maintenance. Do you have any research on that?

Chief Officer, Social Security:

In discussions with the Minister we planning on, anyway, promoting the fact that further ... the disregard for maintenance has gone up, in doing so we felt we could take that opportunity to do that analysis, to understand why those other 500 or so lone parents are not able to recruit maintenance of the other parent. So we intend to do that analysis by the first half of next year and so we will have some information from that, which will be quite interesting.

Deputy G.P. Southern:

I look forward to see it. That would be a start.

The Minister for Social Security:

It is difficult to do the analysis because lone parents by nature are a very transient group, inasmuch as they are not lone parents for ever. People move in and out of ...

Deputy G.P. Southern:

No, they are lone parents for 16 years.

The Minister for Social Security:

No, what I was meaning is they move in and out of relationships, they might find another partner, so it is not an actual fixed ...

Chief Officer, Social Security:

In terms of their income support claims they change regularly, partners move in, move out and so on and claims close as well. Obviously were are doing a lot of work to try and help parents, particularly lone parents, find employment and that will also change the situation in terms of whether their claim is still open and how much income they have. So there are lots of dynamics, particularly in that group ...

The Deputy of St. Ouen:

Of course it is not just lone parents because an absent parent should still be paying towards a child even if the caring parent is in another relationship. That should still be chased.

The Minister for Social Security:

Yes.

The Deputy of St. Ouen:

Okay, so I think we can look forward to that review. We can put it on the long list to ask you next year, if we are still around.

The Minister for Social Security:

The long list of reviews.

Deputy G.P. Southern:

Can I just turn briefly to the distribution survey, which showed that there was an increasing gap between those at the top end and those at the bottom end of that society? So an increasing gap in income inequality.

[10:45]

Is it your intention to examine those findings and target where that gap is most prominent, in the case of 3 in 10 children and 3 in 10 pensioners living on relative low income after housing costs, for example? Are you willing to set up targets to improve things in terms of income inequality on the Island, because we have just gone past the U.K. in terms of the inequality that is present in Jersey?

The Minister for Social Security:

I think it is recognised that there is inequality, that there always has been and probably always will be. There is a huge divide of income in a very small, compacted area. Part of our social security review next year is going to be looking at all the contributions into the Social Security Fund, which I know is something that you have been asking about for a very long time. We will have to somehow increase contributions on the wealthier side of people as well, probably across the board, but certainly as to how we adjust or remove the caps that we have, so that wealthier people maybe pay more into the system. So we will be looking at that, but not directly related to the household income distribution figures. We have so many reviews going on we do not want to take on yet another on this one.

Policy Director, Social Security:

Yes. At the end of the day social security is only a small part of this, perhaps, as they go up to make up any kind of distribution in the place. In reality we have not made major changes in benefit level between 2009 and 2014, yet you see a major change in the distribution. That change

is not down to changes in benefits. It is down to much bigger changes in the economy as a whole and in government policies as a whole. Therefore, the government as a whole will obviously look at the distribution. People use the word “trend”, which I think is interesting. There are 2 points, 2009 and 2014. 2014 is worse, if you like, than 2009. I do not think that suggests to you that it is going down and down and down. I think that suggests to you that 2014 is the place where we are starting to come up again, up the other side. So I would expect measures in the M.T.F.P. In the M.T.F.P. this department has taken responsibility for identifying so many pounds of reduction in benefit by 2019. Why do we do that? We do not voluntarily give up lone parent components or Christmas bonus or things. We do not do that because we want to do that. We do that because we are trying to achieve a bigger aim, a wider goal. What is that wider goal? That wider goal is financial stability of the public finances, a better health system and a better education system. We want to give educational opportunities to the children of those lone parents and the children ...

Deputy G.P. Southern:

Nonetheless ...

Policy Director, Social Security:

No, the bigger picture.

Deputy G.P. Southern:

... Minister, do you accept that you took that £10 million from the lowest strata of our society, those people on income support, which is our safety level, safety net.

The Minister for Social Security:

No, I do not accept that. But on the other hand, if you are talking about making savings on benefits, it is bound to be the people on lower income. Because ...

Deputy G.P. Southern:

It is bound to be income support, because that is the tax funded element.

The Minister for Social Security:

Well it is ...

Policy Director, Social Security:

That is the majority of our budget. We do not have anywhere else to go.

Deputy G.P. Southern:

It is coming from the lowest, the poorest and most vulnerable households on the Island.

The Minister for Social Security:

Well with the income support, it is just not being increased. It is not being reduced, it is just being frozen for 2 years at current levels.

Deputy G.P. Southern:

Yes, and this regards of being abandoned and in some cases components have been abandoned. £10 million worth of savings is taking place in those who receive income support, who are the poorest and most vulnerable in our society. Do you accept that?

The Minister for Social Security:

I accept that that is the way we have had to make the savings, because that is what the department does. Our staffing budget is only 5 per cent of the overall budget. So we had no alternative when being charged with making £10 million worth of savings, but it would be changes to benefits.

Deputy G.P. Southern:

Okay. That demand came from the Minister for Treasury and Resources, did it, or the Chief Minister?

The Minister for Social Security:

It came from the whole Council of Ministers. Each department has to make savings. Obviously every department does it in different ways. Some do it with staff savings, but as I say our staffing budget is so low our only option, our major expenditure, is on benefits and so that is where the savings had to be made.

Deputy G.P. Southern:

In the past it was in Comprehensive Spending Review after Comprehensive Spending Review that Social Security has been spared those cuts, but this year you decided to go ahead with those savings at that level.

The Minister for Social Security:

We were asked to produced £10 million of savings and we have produced the ... looking across the board at all the different components of income support and, as I say, pensions, we did not touch pensions. They have carried on increasing and will carry on increasing.

Deputy G.P. Southern:

They are not taxpayers.

The Minister for Social Security:

No, but as I say we looked ...

Deputy G.P. Southern:

... savings on tax paid money, yet that is contributory. You know that you have to re-hash and review your Social Security Fund anyway, so you do not want to take any more out of that, do you?

The Minister for Social Security:

No, because we have to, as you say, have a look at it in the review.

Deputy G.P. Southern:

Due for review.

The Minister for Social Security:

It is very difficult ...

Deputy G.P. Southern:

Also these increases as well.

The Minister for Social Security:

... to make any savings in benefits. Of course it is difficult.

Deputy G.P. Southern:

In the light of your decision to co-operate with those levels of cuts, is there any measure on the list of 10 or so things that you are going to review in the Social Security and in the Social Security funds? Is there any measure that you would rule out? For example, is it possible that you will reduce pensions? Is it possible that you will increase contributions significantly for everybody? Is there anything ruled out or anything ruled in at this stage?

The Minister for Social Security:

No, the 10 bullet points, that I think you are referring to, that are mentioned in the M.T.F.P. are the ones that you are going to be considering, as a whole, because, as you well know, and we described with long-term care, it is a package. It is like a Jenga set. You have to be very careful with removing one brick from a package and the whole lot falls down. So it has to be very carefully constructed. So all of those bullet points will be analysed as to what will fit in with which and make sure that not one particular aspect of people are affected more than others.

Deputy G.P. Southern:

So nothing ruled in and nothing ruled out? It is more complex than support, which was targeted anyway.

The Minister for Social Security:

Well absolutely, there are 14 different components of Income Support and we are having to look at all aspects of the Social Security Fund because this is not sustainable into the future, with the ageing demographics. If we want to keep the pension levels as they are and constantly improving year on year then we will certainly have to increase contributions somehow.

The Deputy of St. Ouen:

Minister, we are coming to the end of the year and I have cast my eyes over your business plan for 2015, is there anything in the plan that you still have to achieve and are carrying forward?

The Minister for Social Security:

Looking at where we have got to in our description of what it was, the target and the status as of December, there are a huge amount of completions, I am pleased to say. Completed review of dental health; completed report on zero hours contracts; completed living wage, which we did with the Chief Minister's office; the household income survey, is not our survey, it is statistics unit; we have talked about the primary care review and the G.P.s. That will come into the implementation of the primary care review. Long-term care, as we have already discussed, it has got over most of its teething problems, there is still room for improvement, but it is a huge improvement in recent months; we have started work already on Age Discrimination (Jersey) Law, which we hope to see in place by 1 September next year. So work has already started. Because it is only one relatively simple characteristic, whereas with the Sex Discrimination (Jersey) Law there were 4 parts of it, with the sex or gender, the transgender, the maternity and paternity. With age it is age. So what we are hoping to do, the intention is to put out the law drafting for consultation very early on in 2016, so that people have plenty of time to look at it that way, as opposed to putting out a consultation paper then doing law drafting.

The Deputy of St. Ouen:

Yes, okay. I look forward to that.

The Minister for Social Security:

That is the intention with that. Looking back, although 1 September seems a long way away when you have the summer recess and the lodging period before the debate, it does not give much time really to lodge the law. So that is going to be, I hope, on time.

Deputy G.P. Southern:

Will you be talking in particular this year to the Employments Forum regarding the minimum wage for 2016 going forward, in the light of changes that have taken place in the U.K.? Do you see that that will have some impact or we need to accommodate in some way on minimum wage levels?

The Minister for Social Security:

We are well aware with the forum that the wage that has just been recommended and accepted takes us up to 41 per cent of the 45 per cent that government agreed would be the target to attain median wage. Obviously the increases in minimum wage would, I think, be preferable to everybody if they were greater, but one has to balance these increases with business, especially hospitality and agriculture. In the light of agriculture, they simply could not afford to pay a considerable increase in the minimum wage. The answer to that is all industrialise the farms, but Jersey is not like the U.K. where you have massive expanses of land that you can use industrial equipment on. So we have to be very careful to balance any increase in the minimum wage with industry.

Deputy G.P. Southern:

Sure, but the U.K. Government has announced a mandatory living wage to be developed in the next couple of years.

The Minister for Social Security:

It is a national living wage.

Deputy G.P. Southern:

National living wage, but basically mandatory, which is a major change in terms of the living wage versus minimum wage. Are you going to ask the Jersey Employment Trust to examine that change that has happened in the U.K.?

The Minister for Social Security:

They do every year. They will be starting in April to examine that. The national living wage, which was announced by the current government shortly before the election, is supposed to be at £7.20, but they have not implemented ...

Deputy G.P. Southern:

You are surely not suggesting that they did that just before an election.

The Minister for Social Security:

No, not at all. I just was mentioning the timing.

Deputy G.P. Southern:

Okay. You would never see that sort of practice over here.

The Minister for Social Security:

No. It has not yet gone any further. It is still an idea. Our minimum wage is now set at £6.97, sadly just 3p short of £7. The Employment Forum felt ... they do all the research on this. It takes them from April to come up with a recommendation in September, to be implemented the following year and do a huge amount of research. I am always very happy to accept their recommendations. We talk it through, obviously. They do know that we would like to see a bigger increase, but they have to do the balance with business. We are 23p behind what is purported to be a national living wage, as I say, which has not been implemented in the U.K. yet.

Deputy G.P. Southern:

It will be come April.

Policy Director, Social Security:

It is also only applies to people over 25 and above, in the U.K.

The Minister for Social Security:

Yes. Whereas ours is from school leaving age.

Policy Director, Social Security:

We do not have those kind of age distinctions in Jersey; we have a single minimum wage for everybody, just with a trainee wage.

Chief Officer, Social Security:

Yes.

Policy Director, Social Security:

So it is slightly different.

Chief Officer, Social Security:

The Employment Forum always consider or make reference to other jurisdictions, including the U.K., in their report.

Deputy G.P. Southern:

You expect them to pay more detailed attention to.

Policy Director, Social Security:

It is a big change in the U.K. The U.K. is our major export market. We talked about the fact that a lot of the local industries are exporting into the U.K. Obviously if the wage rates in the U.K. have increased it will have an impact on their market, so that might reflect in our market. That is the job of the Employment Forum to do that. They do that every year. That is their whole role.

The Deputy of St. Ouen:

Okay. I think that brings our meeting to an end, unless, Minister, you have anything you want to mention to us.

The Minister for Social Security:

Not particularly. Obviously we will get the age discrimination details to you, as soon as we have them.

The Deputy of St. Ouen:

Thank you. I look forward to that.

The Minister for Social Security:

Then we can move on with the tricky one of disability.

The Deputy of St. Ouen:

Yes. We wish you well over the next 6 months and the M.T.F.P.2 planning and the primary care planning. Thank you very much, Minister, for coming to this hearing and giving us your answers to our questions.

The Minister for Social Security:

Thank you, Chairman.

The Deputy of St. Ouen:

That concludes the meeting.

[11:00]